

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 7367**

**BILL NUMBER:** HB 1285

**NOTE PREPARED:** Jan 13, 2015

**BILL AMENDED:**

**SUBJECT:** Private certifying organizations.

**FIRST AUTHOR:** Rep. Burton

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** X GENERAL  
X DEDICATED  
FEDERAL

**IMPACT:** State & Local

**Summary of Legislation:** The bill establishes a procedure for individuals to apply to the Professional Licensing Agency (PLA) to allow qualified individuals to become state certified and be placed on the electronic registry of professions. The bill requires a private certifying organization be certified by the agency. It prohibits an individual who is not state certified from using the title "state certified".

**Effective Date:** July 1, 2015.

**Explanation of State Expenditures: Summary-** The Professional Licensing Agency (PLA) would have an increase in their administrative workload to process applications from persons seeking to become state certifying entities. The PLA would be required to adopt rules in order to administer the program. PLA staff would be needed to hold public meetings, take testimony, and evaluate submitted applications. A certified organization would have to resubmit for approval with the PLA every five years. It is likely that the PLA would be able to carry out these provisions within the agency's existing level of resources.

*Database Registry-* Currently, the electronic professions registry is the repository for approximately 470,000 licensees and certificate holders. Adding several more professions would have little if any cost increase to the current contract to maintain the registry by the Indiana Office of Technology for the PLA.

**Explanation of State Revenues: Summary-** Persons applying for inclusion in the registry would have to pay a fee determined by the PLA. A registrant's certification would be valid for two years. Current law requires fees to be set at the breakeven point of the ongoing administrative costs of license administration of the regulated profession. The revenue generated would depend on the number of professions admitted to the registry and the PLA's fee determination. Fee revenue would be deposited into the state General Fund.

*Penalty Provision:* A person that is not state certified that uses the term ‘state certified’ in their professional title, designation, or in an advertisement would commit a Class B infraction. The maximum judgement for a Class B infraction is \$1,000.

However, a person that knowingly or intentionally used the term ‘state certified’ that are not registered would commit a Class A infraction. The maximum judgment for a Class A infraction is \$10,000, which would be deposited in the state General Fund. Monetary judgements from infractions are deposited in the state General Fund.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** *Penalty Provision:* If additional court actions are filed and a judgment is entered, local governments would receive revenue from court fees. However, any additional revenue is likely to be small.

**State Agencies Affected:** Professional Licensing Agency

**Local Agencies Affected:** Trial courts, local law enforcement agencies.

**Information Sources:** Nick Goodwin, Communications Director, Professional Licensing Agency.

**Fiscal Analyst:** Chris Baker, 317-232-9851.